

Pay Computation Examples for December 2000/January 2001 Increases

Eligible Core Compensation employees will receive an **average** total base pay increase of 5.3% for this year if they meet minimum performance, conduct, and service requirements. Here's how the increase is computed:

- > The OSI/SCI pool for this year is 4.3%, which is based on the 2.7% general increase (recently approved by the President for other Federal employees) plus an additional 1.6% (the amount FAA used to spend on within grades and quality step increases).
- > 3.7% of the total OSI/SCI pool is available for the OSI, with the remaining .6% set aside to fund SCI's. The Administrator has approved a full OSI for this year based on FAA's performance against the OSI goals announced in May.
- > Since there will be no SCI payout this year, employees will also receive an additional increase of .6%, in addition to the 3.7%.
- > The 4.3% total increase will become effective with the pay period beginning December 31, and will show up in employees' paychecks on January 23.
- > In addition, locality pay increases¹ **averaging** 1% nationwide take effect January 14, 2001 with the exact amount of the locality pay increase varying depending on geographic location. Locality pay increases will show up in employees' paychecks on February 6.

Two sample computations are provided below to illustrate how the computations work:

	Example 1: K band employee in Columbus, OH			Example 2: G band employee in Columbus, OH		
	<u>Basic Pay</u> <i>without</i> <i>locality pay¹</i>	<u>Locality</u> <u>pay¹</u> <u>percentage</u>	<u>Adjusted</u> <u>Basic Pay</u> <i>with locality</i> <i>pay¹</i>	<u>Basic Pay</u> <i>without</i> <i>locality pay¹</i>	<u>Locality</u> <u>pay¹</u> <u>percentage</u>	<u>Adjusted</u> <u>Basic Pay</u> <i>with locality</i> <i>pay¹</i>
Current pay rate	\$88,111	8.55%	\$95,644	\$40,639	8.55%	\$44,114
4.3% increase - 3.7% OSI based on General increase of 2.7% plus 1% - Plus additional .6% normally paid as SCI	\$3,789			\$1,747		
New pay rate as of 12/31/00	\$91,900	8.55%	\$99,757	\$42,386	8.55%	\$46,010
New pay rate as of 1/14/01 (reflecting change in locality pay percentage)	\$91,900	9.61%	\$100,732	\$42,386	9.61%	\$46,459
Approximate total increase	4.30%		5.31%	4.30%		5.31%

¹ Pay rates for FAA employees consist of basic pay plus an additional percentage called locality pay that varies by geographic area. Together, they form what's called adjusted basic pay. All three rates are shown on Standard Form 50, Notification of Personnel Action -- basic pay in blocks 12A and 20A, locality pay in blocks 12B and 20B, and adjusted basic pay in blocks 12, 12C, 20, and 20C. Only the adjusted basic pay appears on the biweekly Statement of Earnings and Leave in the block called Base Rate. Employees in Alaska, Hawaii, Puerto Rico, the Virgin Islands, and other areas outside the continental U.S. do not receive locality pay.